

## SBT Loss Adjustment Worksheet for the Small Business Credit

Issued under authority of P.A. 257 of 1990.

Use this worksheet to qualify for an otherwise disallowed small business credit or alternate tax by adjusting current year adjusted business income. This is available only if a taxpayer had a negative adjusted business income in any of the five tax years immediately preceding this tax year and received a small business credit in the loss year. Partnerships and members of controlled groups - see instructions.

### PART 1: Current Year Amounts

Use this section to determine the amount of loss adjustment to the business income needed to qualify for the small business credit.

#### Business Income Disqualifier is \$475,000 (\$115,000 for individuals)

1. Adjusted Business Income from C-8000C, line 9 ..... 1. \$ \_\_\_\_\_
2. Less the disqualifier ..... 2. \$ \_\_\_\_\_
3. Loss adjustment. Subtract line 2 from line 1 ..... 3. \$ \_\_\_\_\_

#### Shareholder Compensation Disqualifier is \$115,000

4. Enter the amount from C-8000C, line 6 ..... 4. \$ \_\_\_\_\_
5. Disqualifier ..... 5. \$ \_\_\_\_\_
6. Enter compensation and director fees from  
C-8000KC, column K of the shareholder  
creating the disqualifier or reduction ..... 6. \$ \_\_\_\_\_
7. Subtract line 6 from line 5 ..... 7. \$ \_\_\_\_\_
8. Divide line 7 by the percent of ownership (\_\_\_\_%)  
from C-8000KC, column G for the shareholder on line 6 ..... 8. \$ \_\_\_\_\_
9. Loss adjustment. Subtract line 8 from line 4 ..... 9. \$ \_\_\_\_\_

### PART 2: Available Loss

Use this section to determine the loss available from the five preceding years.

|  | 1998 | 1999 | 2000 | 2001 | 2002 |
|--|------|------|------|------|------|
| 10. Did taxpayer receive a small business credit?<br>Complete only those columns in which "Y" is entered.    |      |      |      |      |      |
| 11. Enter adjusted business income as reported on<br>C-8000C, line 9 for each tax year that reported a loss. |      |      |      |      |      |
| 12. Amount of loss entered on line 11 used as an<br>adjustment in a prior year.                              |      |      |      |      |      |
| 13. Loss available for current return. Subtract line 12<br>from line 11.                                     |      |      |      |      |      |
| 14. Enter the amount from line 3 or 9, whichever is larger.  |      |      |      |      |      |
| 15. Loss available for future returns. Subtract line 14<br>from line 13.                                     |      |      |      |      |      |

Attach this worksheet to the return.